

## Bharti Telecom Limited

October 10, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Non-convertible debentures	12,000.00	CARE AAA; Stable	Reaffirmed
Non-convertible debentures	10,500.00	CARE AAA; Stable	Assigned

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

Reaffirmation of ratings assigned to the non-convertible debentures (NCD) issue of Bharti Telecom Limited (BTL) factor in robust financial flexibility, supported by strong parentage of Bharti group and Singapore Telecommunications Limited (SingTel), and BTL's integral role as an investment holding company of the group. This is bolstered by its 40.47% equity stake in the group's flagship telecom business, Bharti Airtel Limited (BAL; rated CARE AAA: Stable / CARE A1+) as on September 30, 2025.

The Bharti group is a leading conglomerate in India with diversified interests in telecom, insurance, payment solutions, and real estate, while SingTel is a leading telecommunication service provider in Singapore and Australia.

Ratings also derive strength from robust credit profile of its underlying asset, BAL, a global telecommunications solutions provider with over 590.5 million customers across 17 countries as on March 31, 2025. BAL's strong credit profile is driven by its prominent market position in Indian mobile services, established operations in mobile business in Africa, diversified revenue stream in non-mobile segment with strong growth expected from enterprise segment, and steady improvement in leverage, which is expected to be further bolstered with reduction in capex intensity and expansion of profit before interest, lease rentals, depreciation, and taxation (PBILDT).

CARE Ratings Limited (CareEdge Ratings) favourably notes significant market value of BTL's stake in the listed equity shares of BAL worth ₹4.77 lakh crore as on September 25, 2025, which is entirely unencumbered. While the other holding companies of Bharti group, Bharti Enterprises (Holding) Private Limited (BEHPL) and Bharti Enterprises Limited (BEL; rated CARE A1+), are debt free as on September 25, 2025, BTL had outstanding debt of ₹37,415 crore. Strong market value of investments to combined debt cover for the three holding companies is a credit positive. CareEdge Ratings expects BTL to continue benefiting from increased profitability and prospects of stronger cash flow generation of BAL.

These rating strengths are partially tempered by exposure to market-related systematic risks, which influence BTL's investment to debt cover.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Not applicable

#### Negative factors

- Deterioration in credit rating of BAL by one or more notches.
- Steep decline in market capitalisation of BAL, compressing market value of investment-to-debt cover (combined for BTL, BEL and BEHPL).
- Material dilution in BTL's shareholding in BAL.

### Analytical approach:

Standalone. Considering the common treasury function for Bharti group, market value-to-debt cover has been analysed on a combined basis for the three holding companies: BEL, BTL and BEHPL.

### Outlook: Stable

The Stable outlook reflects expectation that BTL will continue to derive financial flexibility from its stake in BAL and resourcefulness of its promoters.

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

## Detailed description of key rating drivers:

### Key strengths

#### Strong parentage of Bharti group and SingTel

BTL has strong parentage of the Bharti group (50.56%) and SingTel (49.44%). The Bharti group is one of the leading conglomerates in India with diversified interests in telecom, insurance, payment solutions and real estate. SingTel is a leading telecom service provider in Singapore and owned by the Government of Singapore through its wholly owned subsidiary, Temasek Holdings Private Limited (51.9% stake). SingTel is also a major telecom service provider in Australia through its wholly owned subsidiary, SingTel Optus Pty Limited. It has operations in 20 countries with over 800 million mobile customers as on March 31, 2025. BTL's board comprises representatives from the Mittal family and SingTel.

#### Strategic role with track record of support from the promoter group

BTL is the principal holding company of the Bharti group for its telecom businesses, significance of which is reflected in its underlying investments. As the holding company of BAL, CareEdge Ratings expects BTL to continue managing its leverage prudently and benefit from promoter support, as evidenced by its past track record.

#### Robust credit profile of its underlying investment – BAL

BAL is a global telecommunications solutions provider with over 590.5 million customers across 17 countries as on March 31, 2025. It is the second-largest telecom service provider in India with 361.6 million wireless subscribers and the second-largest mobile operator in Africa with over 166 million customers across 14 countries. BAL's retail portfolio includes 4G and 5G wireless services, mobile commerce, fixed line services, home broadband and direct-to-home services. BAL also caters to the B2B segment through its 14 data centres, 120+ Edge data centres, subsea marine cables spanning 400,000+ route km across 50 countries and five continents. BAL has demonstrated continuous improvement in operational performance, resulting in healthy business and financial risk profiles. Steady improvement in its average revenue per user (ARPU), diversified revenue streams, moderating capex and steady improvement in leverage are expected to support BAL's credit profile.

#### High investments value and resourceful promoter groups drive BTL's financial flexibility

BTL's financial flexibility is supported by the strong reputation and resourcefulness of its promoters, robust credit profile of its flagship business BAL, and the significant market value of its stake in BAL. As on September 30, 2025, BTL is the largest shareholder in BAL, holding a 40.47% stake valued at ₹4.77 lakh crore as on September 25, 2025. Promoters' entire stake in BAL is unencumbered, providing substantial financial flexibility.

CareEdge Ratings notes that BTL has consistently maintained a strong investment (market value)-to-debt cover ratio. For leverage monitoring, CareEdge Ratings considers debt at BTL, BEL and BEHPL, given their common ownership by BEHPL. As on September 25, 2025, BEL and BEHPL had nil external debt, while BTL's outstanding debt stood at ₹37,415 crore. Although the borrowing level for the holding companies, primarily BTL, increased for two years ending FY25 (FY refers to April 01 to March 31) due to acquisition of additional stake in BAL from another prominent shareholder group, the investment (market value) to combined debt cover remained strong. Going forward, the investment (market value) to combined debt cover is expected to remain robust and will be a key rating monitorable.

### Key weaknesses

#### Exposure to inherent market risk

BTL's financial flexibility depends on the market value of its investments, which remains exposed to volatility associated with market-linked fluctuations. Increase in market-related risks leading to a sharp decline in investment value without a commensurate reduction in external debt levels on a sustained basis is a key rating monitorable.

#### Liquidity: Strong

Being a holding company, BTL primarily relies on dividend income from BAL and has no other operating revenue sources. BTL received healthy dividend income of ₹1,819 crore in FY25, a significant increase from ₹877 crore in FY24. Dividend received in FY26 was ~₹3,800 crore. Dividend inflows are expected to remain strong going forward, supported by robust free cash flow generation at BAL, which is likely to further strengthen BTL's interest coverage ratio. Strong liquidity is also supported by healthy market cover of investments and significant financial flexibility due to its shareholding in BAL, valued at over ₹4.77 lakh crore as on September 25, 2025, and resourceful promoters.

#### Assumptions/Covenants: Not applicable

#### Environment, social, and governance (ESG) risks: Not applicable

## Applicable criteria

[Definition of Default](#)
[Factoring Linkages Parent Sub JV Group](#)
[Investment Holding Companies](#)
[Liquidity Analysis of Non-financial sector entities](#)
[Rating Outlook and Rating Watch](#)
[Financial Ratios - Financial Sector](#)

## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Finance	Holding company

Incorporated in July 1985, BTL is promoted by the Bharti group (50.56% stake) and SingTel (49.44% stake). The Bharti group holds its stake in BTL through the group's ultimate holding company BEHPL, while SingTel holds its stake through its subsidiaries: Singtel International Investments Private Limited (10.13%), Pastel Limited (32.08%) and Magenta Investment Limited (7.23%). BTL is the promoter of BAL, the group's flagship operating company of the group and a leading player in the Indian telecommunications industry.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	Q1FY26 (UA)
Total operating income	885	1,901	4
PAT	-917	-1,212	-850
Interest coverage (times)	0.54	0.70	NM
Total Assets	32,838	46,858	NA
Net NPA (%)	Not relevant	Not relevant	Not relevant
ROTA (%)	Not relevant	Not relevant	Not relevant

A: Audited UA: Unaudited (limited review by the auditor); NA: Not available; NM: Not meaningful

Note: these are latest available financial results

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instrument / facility:** Annexure-3

**Complexity level of instruments rated:** Annexure-4

**Lender details:** Annexure-5

### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Debentures-Non Convertible Debentures	INE403D08215	05-Nov-2024	8.90%	05-Nov-2034	1500.00	CARE AAA; Stable
	INE403D08223	05-Nov-2024	8.25%	15-Nov-2027	2000.00	
	INE403D08231	05-Nov-2024	8.65%	05-Nov-2027	2000.00	
	INE403D08249	05-Nov-2024	8.90%	05-Nov-2031	1500.00	
	INE403D08256	05-Nov-2024	8.75%	05-Nov-2028	1650.00	
	INE403D08264	05-Nov-2024	8.75%	05-Nov-2029	2500.00	
	Proposed	-	-	-	850.00	
Debentures-Non Convertible Debentures	Proposed				10500.00	CARE AAA; Stable

**Annexure-2: Rating history for last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Debentures-Non Convertible Debentures	LT	12000.00	CARE AAA; Stable	-	1)CARE AAA; Stable (28-Oct-24)	-	-
2	Debentures-Non Convertible Debentures	LT	10500.00	CARE AAA; Stable				

LT: Long term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities:** Not applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non Convertible Debentures	Simple

**Annexure-5: Lender details**

To view lender-wise details of bank facilities please [click here](#)

**Note on complexity levels of rated instruments:** CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

## Contact us

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